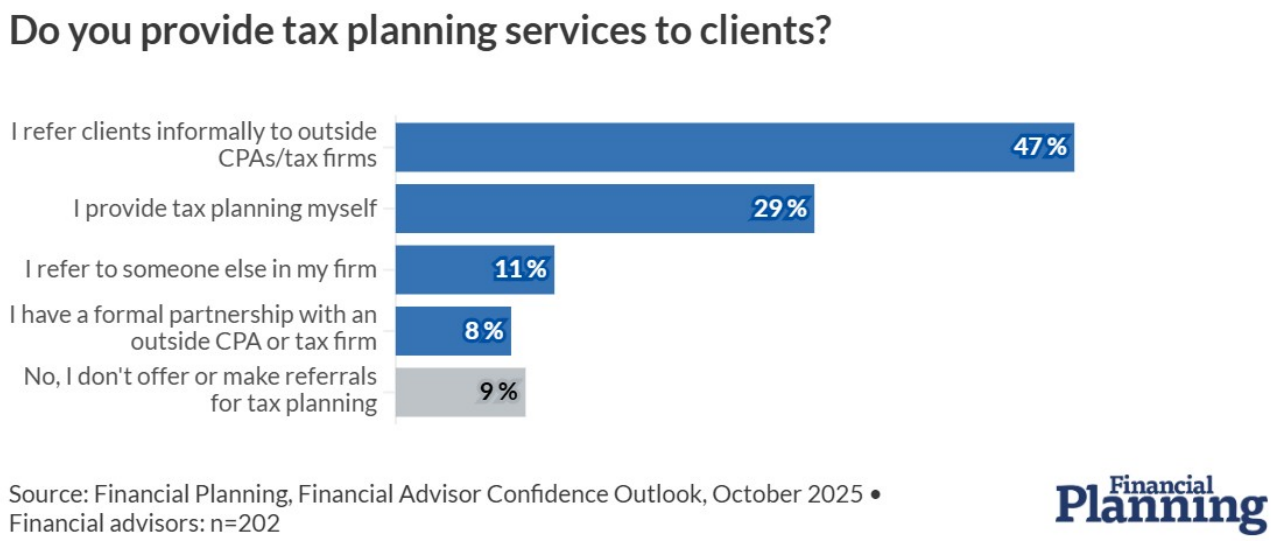
https://www.financial-planning.com/news/why-financial-advisors-sometimes-dont-offer-tax-planning

What's stopping most advisors from providing tax planning?
By Rob Burgess
October 27, 2025, 9:17 a.m. EDT

Tax planning has long been considered an add-on service usually offered to family office clients. But that may be changing.


Do you provide tax planning services to clients?
I refer clients informally to outside CPAs/tax firms
47%
I provide tax planning myself
29%
I refer to someone else in my firm
11%
I have a formal partnership with an outside CPA or tax firm
8%
No, I don't offer or make referrals for tax planning
9%
Source: Financial Planning, Financial Advisor Confidence Outlook, October 2025 • Financial advisors: n=202
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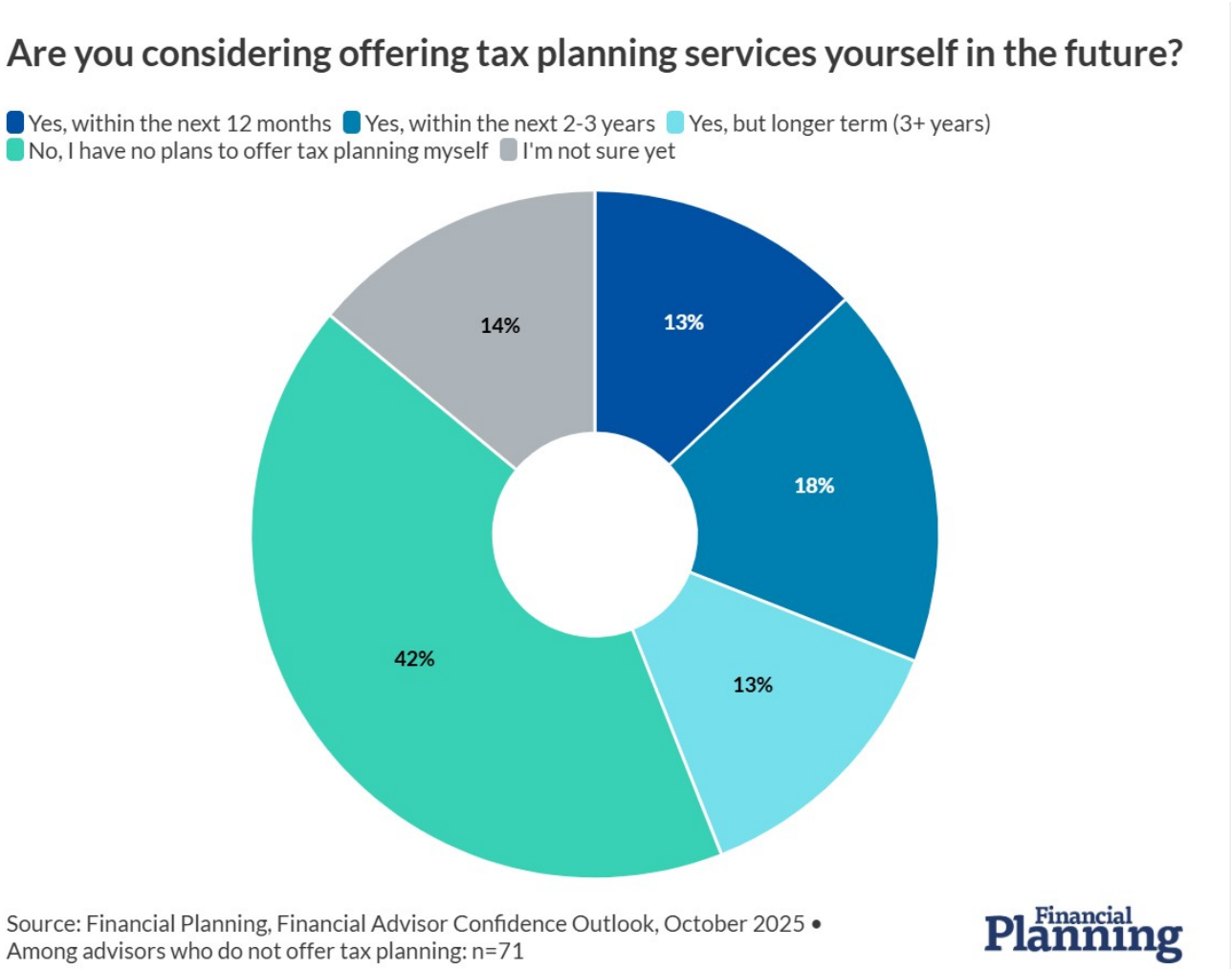
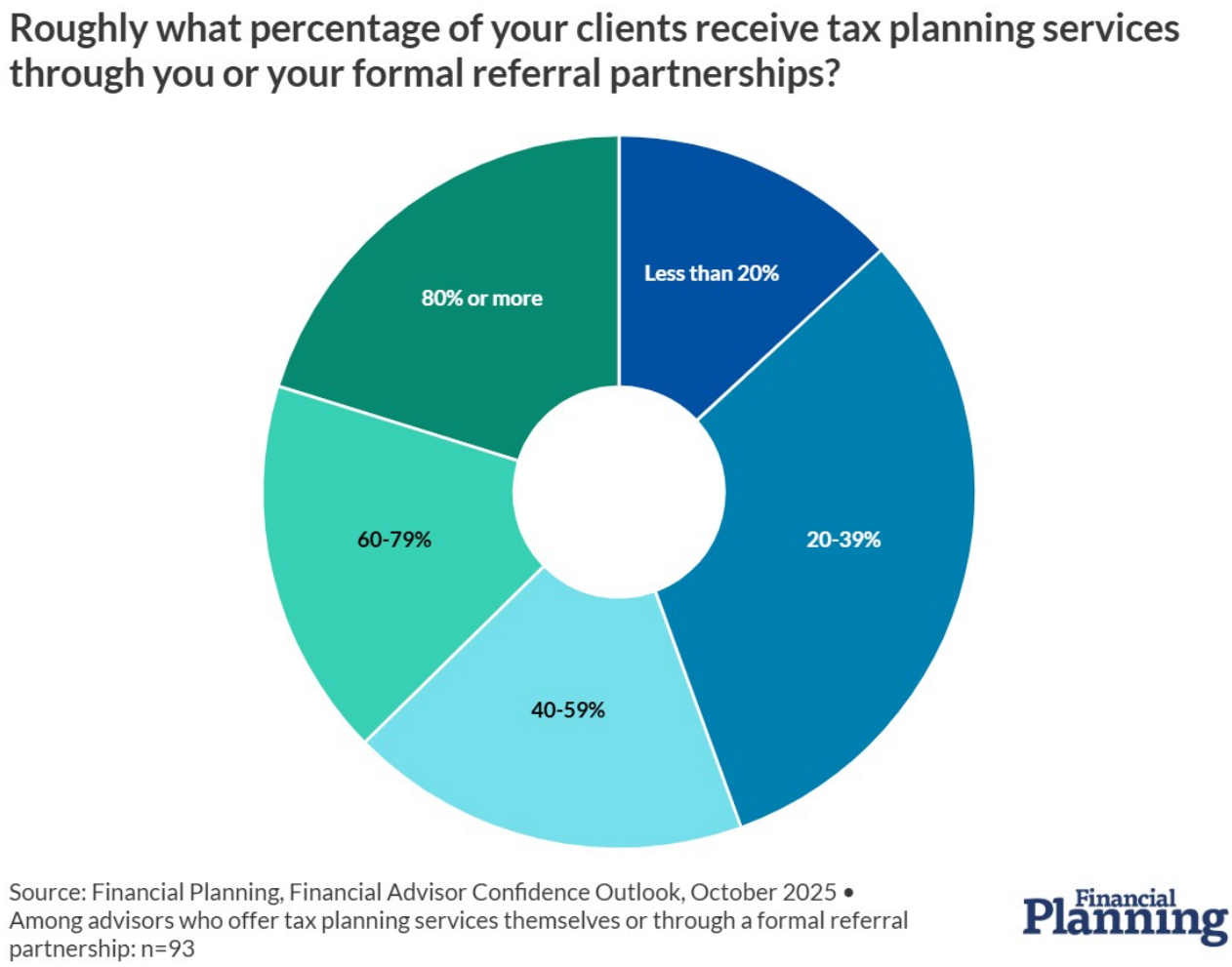
According to Financial Planning's October Financial Advisor Confidence Outlook (FACO), 29% of advisors provide tax planning services personally; 44% of those who don't offer tax planning are considering adding it; and 47% have informal referral systems for tax planning.


Are you considering offering tax planning services yourself in the future?
Yes, within the next 12 months
Yes, within the next 2-3 years
Yes, but longer term (3+ years)
No, I have no plans to offer tax planning myself
I'm not sure yet
13%
18%
13%
42%
14%
Source: Financial Planning, Financial Advisor Confidence Outlook, October 2025 •
Among advisors who do not offer tax planning: n=71
Financial Planning

Half of those who offer tax planning or have formal referral partnerships say that 40% or more of their clients take them up on this service. Advisors who do offer these sorts of services to clients say they would never consider doing without it.


Roughly what percentage of your clients receive tax planning services through you or your formal referral partnerships?
Less than 20%
20-39%
40-59%
60-79%
80% or more
Source: Financial Planning, Financial Advisor Confidence Outlook, October 2025 • Among advisors who offer tax planning services themselves or through a formal referral partnership: n=93
Financial Planning

But others say they can't or won't take the plunge just yet.

Advisors who don't do tax planning — at least not yet
Even if some advisors who don't currently provide tax planning want to, they may feel there are hurdles standing in their way.

Glen Jackson, a financial advisor with LPL Financial in Washington, D.C., said that when tax issues come up with clients, he refers them to a CPA he trusts.

"While I do offer some light tax guidance, I keep it high-level because I've chosen the business model of specializing in investments and financial planning," he said.

Right now, Alexander Casas, president and CEO of Rock Steady Wealth in Richmond, Virginia, said the main thing stopping him from offering full-scale tax planning is scope and specialization.

"My core focus is fiduciary wealth management, and comprehensive tax planning

requires additional licensing, infrastructure and specialized knowledge," he said.

While he has collaborated with outside professionals who bring deep tax expertise to his clients' planning, he said this method also proves challenging.

"One of the biggest hurdles with this model is coordination, especially during peak tax season," he said. "When multiple professionals are involved, communication and response times can be slower, which can make it more challenging to address complex tax situations efficiently."

As a result, Casas said he is seriously considering offering tax planning in the future.

"My goal is to make the process smoother and more integrated for clients, while still maintaining strong partnerships with other tax professionals when needed," he said.

Advisors who have added tax planning

Many advisors may not offer tax planning because they fear the exposure that may exist if a mistake is made, said Kevin Thompson, a planner and enrolled agent who is CEO of Fort Worth, Texas-based registered investment advisory firm 9i Capital Group.

"One tax mistake, whether it be a 401(k) rollover that was done improperly or having to correct years of incorrect Roth contributions, can not only cost you money-wise but also your industry reputation," he said.

Today, Thompson said tax planning is the No. 1 value addition for him as a financial advisor. The first thing he asks a prospect for is their tax return. But, he said, it wasn't always like that.

"The only reason I have never offered tax planning in the past was due to me not owning my business or not being allowed to do tax planning due to my industry affiliation," he said. "I have gotten over this by opening my own firm."

Similarly, Brandon Galici, financial planner and founder of Galici Financial in San Juan Capistrano, California, started his career at Edward Jones, which he said didn't even allow him to create written financial plans.

"If an advisor were to make a tax recommendation in writing, it could potentially open up the firm to liabilities," he said.

Now, at his own firm, he has leaned into tax planning.

"I think tax planning is low-hanging fruit right now for advisors to set themselves apart," he said. "For example, if I tell a prospect that we will review their prior year's tax return and provide guidance, it's likely a differentiator from the other advisors they may be interviewing."

Why tax planning is important
Historically, wealth management firms have done a poor job of tax planning, as many have never even seen a copy of their client's tax returns, said Nick Faulkner, chief operating officer and financial planner at Integra Wealth in Cary, North Carolina.

"Yet they advise on and manage their investments," he said. "This is worrisome, as all parts of your financial plan are supposed to work and be coordinated together, not separately."

For his firm's specialization of startup founders and tech professionals, tax planning is essential to comprehensive financial advice, said Jirayr Kembikian, co-founder and managing director of Citrine Capital in San Francisco.

"Their situations are complex, and ignoring tax implications would be a major disadvantage," he said.

Holistiplan in particular has been a "game-changer," said Steven Crane, founder of Financial Legacy Builders in Dayton, Ohio.

"Even just the simple ability to break down a client's taxes to them is hugely advantageous," he said. "Most advisors do not recognize this as value add because it is 'simple.' However, it is only 'simple' because we work in the space 24/7, whereas the average American thinks about taxes in April for two weeks, and then they proceed with their life as there are bigger fish to fry."

Faulkner said his firm also uses Holistiplan as its tax-planning software.

"It's incredibly robust and can provide detailed models of complex tax maneuvers like Roth conversions," he said.

Some advisors are becoming enrolled agents
For advisors who want to delve even further with clients on taxes, becoming an enrolled agent is an option.

An enrolled agent is a national designation through the IRS that allows those with the title to represent taxpayers. It requires participants to pass a rigorous three-part exam on taxation and complete 72 hours of continuing education courses every three years.

Ajay Vadukul, vice president of Endeavor Advisors in Torrance, California, said he and his business partner just went through the process.

"This has allowed us to go even deeper into the complexities of tax law and, in turn, elevate the value we bring to clients," he said.

Another advisor who is an enrolled agent, Josh Radman, principal and owner of

Presidio Advisors in Denver, said he serves millennials with equity compensation. He said his clients often are navigating tender offers, IPOs or other liquidity events.

"The No. 1 question on their minds is: What is my tax liability and net take-home going to be at the end of the year?" he said. "Tax planning is critical for this group. And the planning piece is often part of a larger multiyear strategy on how to tax-efficiently plan for concentrated wealth positions or the opportunity to 'cash out.'"

Tax planning and preparation?
Some firms take this even a step further by going beyond tax planning and into tax preparation.

Kembikian said his firm also brought tax prep in-house years ago after realizing how much clients valued an integrated experience. Now, roughly 75% to 80% of the firm's clients file tax returns with them, and many say it's a hugely valuable part of working with the firm, he said.

"Many wealth management firms still fall short on tax planning," he said. "Current tools tend to focus on projections, but the real opportunity is integrating live tax strategies with investment and planning decisions throughout the year."

Ryan McCarthy, a financial advisor at McCarthy Asset Management in Redwood Shores, California, said his firm provides comprehensive tax planning services as a fundamental part of its offerings.

In addition, as CPAs, McCarthy said his firm also prepares tax returns for around half of its clients. For those whose returns they don't prepare, they collaborate closely with their CPAs throughout the tax compliance and planning process. They also offer to review their tax returns if they wish.

"Nearly all of our clients benefit from our tax-planning services, and their response has been one of gratitude, especially once they realize the significant savings these strategies can provide," he said.